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C O N F I D E N T I A L SECTION 01 OF 02 ABU DHABI 000071

SIPDIS

DEPT FOR EB A/S WAYNE, EB/ESC/TFS JSALOOM, NEA/ARPI RSMYTH  
TREASURY FOR U/S LEVEY, PHEFFERNAN, RLEBESNON  
FBI FOR FWAUKURT, JHERRING

E.O. 12958: DECL: 01/07/2016

TAGS: [ECON](#) [EFIN](#) [EAID](#) [KTFN](#) [PREL](#) [AE](#)

SUBJECT: A/S WAYNE DISCUSSES TERROR FINANCE COOPERATION

REF: 05 ABU DHABI 4982

Classified By: Ambassador Michele J. Sison,  
reasons 1.4 (b and d).

1. (C) Summary: Sheikh Abdullah bin Zayed al Nahyan, Minister of Information and brother of UAE's president, met visiting Assistant Secretary for Economic and Business Affairs Tony Wayne, Treasury DAS Ahmed Saeed, and Ambassador Sison in Dubai January 6. They discussed the establishment of a joint task force for combating terrorism financing, as well the strategic investment initiative and the Free Trade Agreement negotiations (reported septels). In a related meeting, A/S Wayne and his party met Dubai Financial Services Authority to discuss anti-money laundering practices. End summary.

#### UAEG Cooperation against Terror Financing

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2. (C) In a meeting in Dubai January 6, Assistant Secretary for Economic and Business Affairs Tony Wayne and Sheikh Abdullah bin Zayed al Nahyan, Minister of Information, discussed plans for an interagency clearinghouse for terror finance-related exchanges. Also participating were Ambassador Sison, Treasury DAS Ahmed Saeed, EB/IFD/ODF Financial Economist Roland de Marcellus, NEA/ARPI Deputy Director Steve Walker, and Acting Consul General Jillian Burns (notetaker). A/S Wayne commended the UAE for its excellent cooperation on the issue of countering terror financing, as evidenced by the upcoming first meeting of the Joint Terrorist Financing Coordinating Committee (JTFFC), planned for January 24 with the U.S. team to be lead by U/S Levey. Ambassador Sison reviewed the parameters ) it is to be a high level, interagency, inter-emirate, bilateral, on-going taskforce. She noted that the embassy had laid out the proposal to Central Bank Governor al Suweidi (reftel). She provided Sheikh Abdullah with copies of the JTFFC strategy paper and draft agenda.

3. (C) Ambassador indicated that Governor al-Suwaidi asked her to share the concept with the UAE's political leadership, and that she had provided an overview of the JTFFC to Deputy Prime Minister Hamdan bin Zayed Al Nahyan earlier that day on the margins of a condolence call for the death of UAE Prime Minister and Vice President and Ruler of Dubai, Sheikh Maktoum bin Rashid. There had been strong cooperation between the USG and the UAEG on CT finance, and the JTFFC would facilitate an even greater level of cooperation between our two governments. Sheikh Abdullah undertook to consult with the Central Bank and provide feedback on the concept and proposed agenda. Wayne added this had been an initiative first presented by White House Homeland Security Advisor Fran Townsend and that it was a positive sign it was moving forward. He noted new UAE Vice President and Prime Minister Sheikh Mohammed bin Rashid Al Maktoum's statement of support for increased bilateral cooperation on terror finance during their conversation earlier in the day.

#### Dubai Financial Services Authority Pledges Cooperation

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4. (C) A/S Wayne, his delegation, Ambassador and PolEconoff Tim Brys (notetaker) also met January 6 with David Knott, Chief Executive at Dubai Financial Services Authority (DFSA), Niall Coburn, DFSA Director ) Enforcement, and Joyce Maykut, DFSA General Counsel. Knott provided an overview of DFSA operations, services and customer base before the conversation turned to anti-money laundering (AML). Coburn said, under strict confidentiality, that DFSA is willing to cooperate and exchange information with the USG in AML cases. According to Knott, all UAE laws except those related to AML are dis-applied at the Dubai International Financial Center (DIFC). (Note: UAE civil laws are dis-applied within DIFC. DIFC companies are still required to abide by UAE criminal laws -- including those regarding AML. End note.) Maykut explained that DIFC is a separate jurisdictional entity from the UAE, but all suspicious activity reports are sent to the UAE Central Bank. Maykut added that since there has not been an AML case yet (the financial exchange at DIFC opened for business in September 2005), there remains some question over the relationship with the Central Bank and the roles each

will play in investigating and prosecuting such a case. It is possible the details of a case will determine the role of each. Ambassador and A/S Wayne thanked DFSA for their cooperation and agreed to continue the dialogue, perhaps with discussions to include the Federal Reserve regarding their regulatory system.

15. (U) This message has been cleared by A/S Wayne. Dubai cable is being sent by Abu Dhabi due to the Eid holiday.

SISON